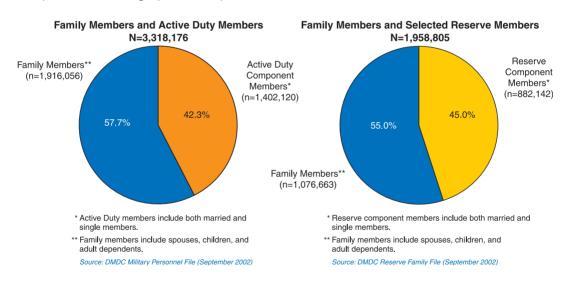
WHO ARE MILITARY TROOPS AND FAMILIES?

"It's tough on your families as well. They worry about you, and endure long periods of separation. Your families also sacrifice for our country. We are proud of them – just as we are proud of each of you."

Secretary of Defense Donald Rumsfeld

ore than 3.2 million people comprise the U.S. military forces — 1.4 million or 44 percent Active Duty, 1.2 million or 36 percent Reserves, and nearly 655,000 or 20 percent DoD civilian personnel. Of the over 3.3 million family members and Active Duty members combined, there are more family members (57.7%) than Active Duty members (42.3%). There are almost 2 million Reserve members and family members, with slightly more family members (55%) than Reserve members (45%).



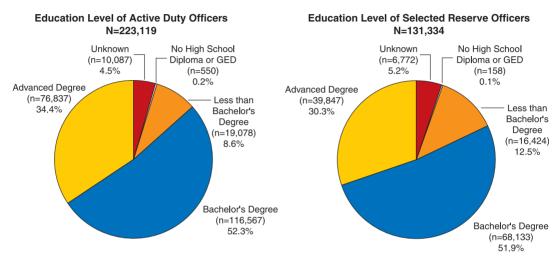
A YOUNG MILITARY FORCE

Almost half of the Active Duty force is 25 years old or younger (47.1%), with the next largest age group being 26- to 30-year-olds (17.7%), followed by 31- to 35-year-olds (14%), 36- to 40-year-olds (12.8%) and those 41 years old or older (8.5%). The average age of the Active Duty force is 28.2. The average age for the Active Duty officers is 34.5, while the average age for enlisted personnel is 27.1. The largest age group of the Selected Reserve is 25 years old or younger (29.1%), with the next largest group being those 41 years or older (25.1%), followed by 36- to 40-year-olds (16.5%), 31- to 35-yer-olds (15.8%) and 26- to 30-year-olds (13%). The Reserve members are somewhat older, with more than 40 percent at least 36 years old.



A HIGHLY EDUCATED FORCE

The U.S. military force is well educated. Within the Active Duty force 86.7 percent of officers have a Bachelor's or higher degree and most (97.2%) of the enlisted force have a high school diploma and/or some some college experience. About 82 percent of Reserve component officers hold college degrees and more than 93 percent of enlisted Reserve personnel have a high school diploma and/or some college.



Sources: DMDC Reserve Components Common Personnel Data System (September 2002): United States Census (2002) DMDC Active Duty Master File (September 2002)

In comparison to the members of the Armed Forces, less than 26 percent of the U.S. population holds college degrees and only 84 percent has high school diplomas or the equivalent.

A MOSTLY MARRIED FORCE

Slightly more than half of the Active Duty and Reserve personnel are married, compared to 60 percent for the U.S. population. Almost 40 percent of the spouses are 30 years of age or younger; 60 percent are under 36 years of age. Most spouses of active duty members (75%) have at least some college: 38 percent do not hold a degree, but have some college credit; 12 percent hold Associate degrees; 18 percent hold Bachelor degrees; 7 percent hold advanced degrees.

A MOSTLY DUAL-INCOME FAMILY FORCE

About 69 percent of the spouses of Active Duty personnel are active (i.e., either employed or seeking employment) in the U.S. labor force, with 487,189 actually working. The unemployment rate for military spouses of Active Duty personnel is twice the national average for men and three times the national rate for women. The frequent (about every 18-36 months) permanent change of duty station required of military personnel is a major obstacle preventing military spouses from establishing and growing their careers. Other obstacles frequently cited are affordable and quality child care, acceptable salary, jobs relevant to career

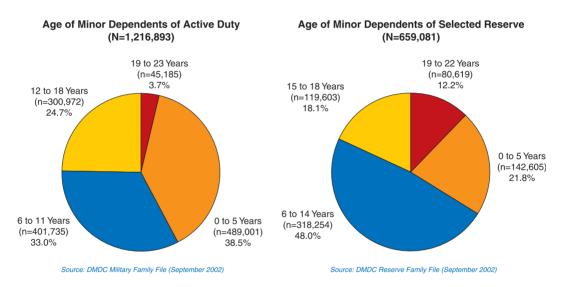


aspirations, and conflicts between work and parental or family responsibilities. Of the military spouses employed, 41 percent report that they provide a major contribution to their family's income.

A MILITARY FORCE WITH CHILDREN

About 44 percent of the Active Duty force has children, totaling more than 1.2 million dependent children between the ages of birth and 23 years. More than one-third of the children are between birth and five years of age, 7.5 percent are under eleven years of age, and almost 25 percent are 12-18 years of age. The average age of an Active Duty member at the birth of his/her first child is 24.4 years. A typical Active Duty family is stationed in the U.S., lives in off-base military family housing, has two children (average age - 5.7 years), and sends their school-age children to public schools off-base.

About 38 percent of the Selected Reserve force has children, totaling approximately 660,000 children between the ages of birth and 22 years. Forty-eight percent of these children are between the ages of six and fourteen.



A MILITARY FORCE THAT BELIEVES IN CHILDREN'S EDUCATION

About 600,000 children of Active Duty personnel attend civilian community schools. Of the nearly 105,670 military children who are enrolled in the Department of Defense Schools, 85 percent are children of enlisted military personnel. The Department of Defense Schools maintain a high school graduation rate of 97 percent.



WHAT MAKES THE MILITARY LIFESTYLE A CHALLENGE?

ilitary service is not just a job—it is a commitment to 24 hours, seven days a week to service to the nation. Increasingly frequent deployments, long separations, recurrent moves, inconsistent quality of housing, and sporadic spousal employment are just a few of the unique challenges consistently faced by the families of those in uniform. Whether relocating to other cities or countries, experiencing separations when military members deploy, or making the transition to civilian life after military service, military families face many challenges that generate stress, anxiety, and uncertainty. Factor in the various personal and financial challenges likely to confront any family, and it becomes easy to understand why support for military families is so important.

In addition to military-specific hardships, service members and their families also share stressors with their non-military counterparts. The increase in the number of dual-income families was a major shift in the 20th century. Like many of their civilian counterparts, military spouses in the labor force report that the family's second income is necessary to cover basic family expenses. When both spouses work, child care outside the home becomes an important and expensive consideration—especially since support from extended family probably is not an option. Dual income couples quickly find that job responsibilities and home responsibilities, particularly in the military, are frequently at odds. The challenge of balancing work and home life can be overwhelming when one spouse is deployed for long periods of time.



HOW DOES THE DEPARTMENT OF DEFENSE RECOGNIZE THAT "FAMILIES ALSO SERVE"?

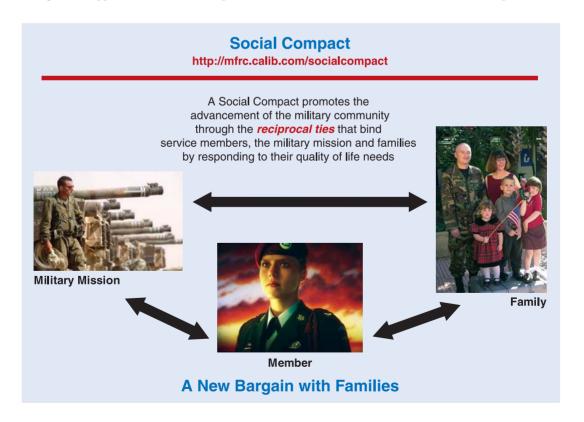
he Department developed the New Social Compact in 2002 in recognition of the philosophy that families serve and are paramount to a successful military defense. The Social Compact recognized the fundamental three-way exchange that exists between the Service member, the family and the Department of Defense. Since the early 1980's the Department has increasingly expanded program support to military families. As the American standard of living changes, military programs and policies must be updated to match improvements and cultural changes going on in the nation as a whole. The changing expectations of Service members and military families

Families Also Serve

"Military service is a reciprocal partnership between the Department of Defense, Service members and their families."

A New Social Compact, 2002

created the need for a Social Compact that will require continual modernization. Service members and families have grown to appreciate that family and quality of life issues will be addressed by a military leadership that cares.





The Social Compact reconfirmed America's commitment to Service members, both active and reserve, who serve as a protector and wedge between terror and the security of the American people. The array of quality of life programs covered by the Social Compact recognizes the challenges of military life and the sacrifices Service members and their families make in serving their country. The partnership between the American people and the noble warfighters and their families is built on a tacit agreement that families also serve.

Efforts toward improved quality of life, while made out of genuine respect and concern for Service members and families, also have a pragmatic goal: a United States that is militarily strong.

Stress Reduction Initiatives

- 1-800 Toll-free Military OneSource (24/7)
 - Excellent Reserve family support option
 - Better support for the two-thirds families living off base
- Child Care Supplemental (523,000 hours)
 - Expanded hours, respite care, Navy 24-hour, shift work
- Family Assistance Counseling (outside of TRICARE)
 - Personal, financial, stress-related, youth, family
- Victim Advocates/Shelter Nights
- **■** Spouse Careers
 - DoD/DoL partnership, Army-type partnership w/ industry (e.g., Home Depot), spouse placement demos, Navy ADECCO
 - New White House initiative
- **■** Communication During Deployment
- Housing Priority
 - Shift junior enlisted families on-base
- Financial Readiness
- Rebasing/Civilian Communities of Choice



WHY SHOULD MILITARY QUALITY OF LIFE BE IMPROVED?

Quality of Life: Support to Families Where we started: Where we are headed: High school graduate force Expand post secondary education opportunities for a more educated force On-base "Company town" mentality Develop less base-centric programs through civilian partnerships for the two-thirds families that live off base Family separation with little support • Implement 24/7 toll-free 1-800 Family Assistance support to all Service members and families, to include National Guard and Reserve members. Implement family assistance counseling for deployed. · Few dual career families and more stay at Improve career opportunities for spouses home spouses Less Reserve Component mobilization Enhance family support to accommodate increased Reserve deployments Internet access not readily available Increase service delivery through technology • Less complex financial world • Initiate a financial readiness campaign Disparate Service cultures Ensure policies reflect the Department's commitment to underwrite family support and foster more joint installation support.

he Department's strategy to improve military quality of life is driven by our firm belief that it is the Department's responsibility to underwrite family support. This is confirmed by the President's directive to improve quality of life, and buttressed by the knowledge that although we enlist the individual in the Armed Forces, the decision to re-enlist is made around the family's kitchen table. The 2001 Quadrennial Defense Review reiterated the importance of support to troops and families.

The recent increase in operational tempo and the extended tours of duty require that the trailing spouse take on all of the responsibility for maintaining the family and household for The Secretary of Defense concluded the review by stating "the Department must forge a new compact with its warfighters and those who support them-one that honors their service, understands their needs, and encourages them to make national defense a life-long career."

2001 Quadrennial Defense Review



much longer periods of time than in the past. This situation can result in increased stress and anxiety for military members and their families.

Given this new scenario, several Quality of Life areas are of particular importance for 21st century military families. These include issues of: (1) family support; (2) counseling services; (3) financial planning; (4) housing; (5) child care; (6) military spouse employment and career opportunities; (6) Department of Defense Schools; (7) educational transitions among military children; (8) commissary and military exchange systems; (9) support for victims of domestic violence; (10) support during the deployment cycle; (11) Morale, Welfare, and Recreation opportunities; (12) Tuition Assistance for Voluntary Education; and (13) Partnerships with the States.

The Department is committed to meeting the quality of life needs of our Service members and their families as we transform the military for the 21st century. Just as the forces are dealing with the global war on terror, so too, are military families. The Department has the honor and the obligation to assist them in meeting the stresses and challenges of the military life.

